By the Committee on Comprehensive Planning, Local and Military Affairs; and Senators Carlton, Klein and Jones

316-1907B-99

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A bill to be entitled An act relating to local government; creating ss. 163.2511, 163.2514, 163.2517, 163.2520, 163.2523, 163.2526, F.S., the Urban Infill and Redevelopment Act; providing legislative findings; providing definitions; authorizing counties and municipalities to designate urban infill and redevelopment areas based on specified criteria; requiring preparation of a plan or designation of an existing plan and providing requirements with respect thereto; requiring a public hearing; providing for amendment of the local comprehensive plan; providing that counties and municipalities that have adopted such plan may issue revenue bonds and employ tax increment financing under the Community Redevelopment Act and exercise powers granted to community redevelopment neighborhood improvement districts; granting such areas priority in the allocation of private-activity bonds; requiring a report by certain state agencies; providing a program for grants to counties and municipalities with urban infill and redevelopment areas; providing for review and evaluation of the act and requiring a report; amending s. 163.3180, F.S.; authorizing exemptions from the transportation facilities concurrency requirement for developments located in an urban infill and redevelopment area; amending s. 163.3187, F.S.; providing that comprehensive plan amendments to designate

1 such areas are not subject to statutory limits 2 on the frequency of plan amendments; including 3 such areas within certain limitations relating to small scale development amendments; amending 4 5 s. 187.201, F.S.; including policies relating 6 to urban policy in the State Comprehensive 7 Plan; creating s. 220.185, F.S.; creating the State Housing Tax Credit Program; providing 8 9 legislative findings and policy; providing 10 definitions; providing for a credit against the 11 corporate income tax in an amount equal to a percentage of the eligible basis of certain 12 housing projects; providing a limitation; 13 amending s. 380.06, F.S., relating to 14 developments of regional impact; increasing 15 certain numerical standards for determining a 16 17 substantial deviation for projects located in certain urban infill and redevelopment areas; 18 19 amending ss. 163.3220, 163.3221, F.S.; revising 20 legislative intent with respect to the Florida Local Government Development Agreement Act to 21 include intent with respect to certain 22 assurance to a developer upon receipt of a 23 24 brownfield designation; amending s. 163.375, F.S.; authorizing acquisition by eminent domain 25 of property in unincorporated enclaves 26 27 surrounded by a community redevelopment area 28 when necessary to accomplish a community 29 development plan; amending s. 165.041, F.S.; providing that the incorporation feasibility 30 31 study be submitted to the Legislature;

1 specifying requirements for the feasibility 2 study; amending s. 171.0413, F.S., relating to 3 municipal annexation procedures; requiring 4 public hearings; deleting a requirement that a 5 separate referendum be held in the annexing 6 municipality when the annexation exceeds a 7 certain size and providing that the governing body may choose to hold such a referendum; 8 9 providing procedures by which a county or 10 combination of counties and the municipalities 11 therein may develop and adopt a plan to improve the efficiency, accountability, and 12 coordination of the delivery of local 13 government services; providing for initiation 14 of the process by resolution; providing 15 requirements for the plan; requiring approval 16 17 by the local governments' governing bodies and by referendum; authorizing municipal annexation 18 19 through such plan; creating s. 420.5093, F.S.; 20 providing for allocation of state housing tax credits and administration by the Florida 21 Housing Finance Corporation; providing for an 22 annual plan; providing application procedures; 23 24 providing that neither tax credits nor 25 financing generated thereby may be considered income for ad valorem tax purposes; providing 26 27 for recognition of certain income by the 28 property appraiser; creating s. 420.630, F.S.; 29 creating the Urban Homesteading Act; creating s. 420.631, F.S.; providing definitions; 30 31 creating s. 420.632, F.S.; authorizing housing

1 authorities or nonprofit community 2 organizations appointed by the housing 3 authority to operate a program to make foreclosed single-family housing available to 4 5 purchase by certain qualified buyers; creating 6 s. 420.633, F.S.; providing eligibility 7 requirements for entering into a homestead 8 agreement to acquire such housing; creating s. 9 420.634, F.S.; providing an application 10 process; providing requirements for deeding the 11 property to the qualified buyer; creating s. 420.635, F.S.; providing for the Department of 12 Community Affairs to make loans to qualified 13 14 buyers, contingent upon an appropriation; providing requirements for the loan agreement; 15 16 providing an appropriation; providing an 17 effective date. 18 19 Be It Enacted by the Legislature of the State of Florida: 20 21 Section 1. Sections 163.2511, 163.2514, 163.2517, 163.2520, 163.2523, and 163.2526, Florida Statutes, are 22 created to read: 23 24 163.2511 Urban infill and redevelopment.--25 (1) Sections 163.2511-163.2526 may be cited as the "Urban Infill and Redevelopment Act." 26 27 (2) It is declared that: 28 Fiscally strong urban centers are beneficial to 29 regional and state economies and resources, are a method for 30 reduction of future urban sprawl, and should be promoted by 31 state, regional, and local governments.

- (b) The health and vibrancy of the urban cores benefit their respective regions and the state; conversely, the deterioration of those urban cores negatively impacts the surrounding area and the state.
- (c) In recognition of the interwoven destiny between the urban center, the suburbs, the region, and the state, the respective governments need to establish a framework and work in partnership with communities and the private sector to revitalize urban centers.
- (d) State urban policies should guide the state, regional agencies, local governments, and the private sector in preserving and redeveloping existing urban cores and promoting the adequate provision of infrastructure, human services, safe neighborhoods, educational facilities, and economic development to sustain these cores into the future.
- (e) Successfully revitalizing and sustaining the urban cores is dependent on addressing, through an integrated and coordinated community effort, a range of varied components essential to a healthy urban environment, including cultural, educational, recreational, economic, transportation, and social service components.
- (f) Infill development and redevelopment are recognized to be important components and useful mechanisms for promoting and sustaining urban cores. State and regional entities and local governments should provide incentives to promote urban infill and redevelopment. Existing programs and incentives should be integrated to the extent possible to promote urban infill and redevelopment and to achieve the goals of the state urban policy.
- 30 <u>163.2514 Definitions.--As used in ss.</u> 31 <u>163.2511-163.2526</u>, the term:

1	(1) "Local government" means any county or
2	municipality.
3	(2) "Urban infill and redevelopment area" means an
4	area or areas designated by a local government where:
5	(a) Public services such as water and wastewater,
6	transportation, schools, and recreation are already available
7	or are scheduled to be provided in an adopted 5-year schedule
8	of capital improvements and are located within the existing
9	urban service area as defined in the local government's
LO	comprehensive plan;
L1	(b) The area, or one or more neighborhoods within the
L2	area, suffer from pervasive poverty, unemployment, and general
L3	distress as defined in s. 290.0058;
L4	(c) The area exhibits a high proportion of properties
L5	that are substandard, overcrowded, dilapidated, vacant or
L6	abandoned, or functionally obsolete which is higher than the
L7	average for the local government;
L8	(d) More than 50 percent of the area is within
L9	1/4-mile of a transit stop, or a sufficient number of such
20	transit stops will be made available concurrent with the
21	designation; and
22	(e) The area includes or is adjacent to community
23	redevelopment areas, brownfields, enterprise zones, or
24	Mainstreet programs, or has been designated by the state or
25	federal government as an urban redevelopment, revitalization,
26	or infill area under empowerment zone, enterprise community,
27	and brownfield showcase community programs or similar
28	programs.
29	163.2517 Designation of urban infill and redevelopment
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- (1) A local government may designate a geographic area or areas within its jurisdiction as an urban infill and redevelopment area for the purpose of targeting economic development, job creation, housing, transportation, crime prevention, neighborhood revitalization and preservation, and land-use incentives to encourage urban infill and redevelopment within the urban core.
- (2) As part of the preparation and implementation of an urban infill and redevelopment plan, a collaborative and holistic community participation process must be implemented to include each neighborhood within the area targeted for designation as an urban infill and redevelopment area. The objective of the community participation process is to encourage communities within the proposed urban infill and redevelopment area to participate in the design and implementation of the plan, including a "visioning" of the urban core, before redevelopment.
- (a) A neighborhood participation process must be developed to provide for the ongoing involvement of stakeholder groups including, but not limited to, community-based organizations, neighborhood associations, financial institutions, faith organizations, housing authorities, financial institutions, existing businesses and businesses interested in operating in the community, schools, and neighborhood residents, in preparing and implementing the urban infill and redevelopment plan.
- (b) The neighborhood participation process must include a governance structure whereby the local government shares decisionmaking authority for developing and implementing the urban infill and redevelopment plan with community-wide representatives. For example, the local

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government and community representatives could organize a corporation under s. 501(c)(3) of the Internal Revenue Code to implement specific redevelopment projects.

- (3) A local government seeking to designate a geographic area within its jurisdiction as an urban infill and redevelopment area shall prepare a plan that describes the infill and redevelopment objectives of the local government within the proposed area. In lieu of preparing a new plan, the local government may demonstrate that an existing plan or combination of plans associated with a community development area, Florida Main Street program, sustainable community, enterprise zone, or neighborhood improvement district includes the factors listed in paragraphs (a)-(n), including a collaborative and holistic community participation process, or amend such existing plans to include these factors. The plan shall demonstrate the local government and community's commitment to comprehensively address the urban problems within the urban infill and redevelopment area and identify activities and programs to accomplish locally identified goals such as code enforcement; improved educational opportunities; reduction in crime; neighborhood revitalization and preservation; provision of infrastructure needs, including mass transit and multimodal linkages; and mixed-use planning to promote multifunctional redevelopment to improve both the residential and commercial quality of life in the area. The plan shall also:
- (a) Contain a map depicting the geographic area or areas to be included within the designation.
- (b) Confirm that the infill and redevelopment area is within an existing urban service area defined in the local government's comprehensive plan.

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- (c) Identify and map existing enterprise zones, community redevelopment areas, community development corporations, brownfield areas, downtown redevelopment districts, safe neighborhood improvement districts, historic preservation districts, and empowerment zones or enterprise communities located within the area proposed for designation as an urban infill and redevelopment area and provide a framework for coordinating infill and redevelopment programs within the urban core.
- (d) Identify a memorandum of understanding between the district school board and the local government jurisdiction regarding public school facilities located within the urban infill and redevelopment area to identify how the school board will provide priority to enhancing public school facilities and programs in the designated area, including the reuse of existing buildings for schools within the area.
- (e) Identify each neighborhood within the proposed area and state community preservation and revitalization goals and projects identified through a collaborative and holistic community participation process and how such projects will be implemented.
- community-based organizations intend to implement affordable housing programs, including, but not limited to, economic and community development programs administered by federal and state agencies, within the urban infill and redevelopment area.
 - (g) Identify strategies for reducing crime.
- (h) If applicable, provide guidelines for the adoption of land development regulations specific to the urban infill

and redevelopment area which include, for example, setbacks and parking requirements appropriate to urban development.

- (i) Identify and map any existing transportation concurrency exception areas and any relevant public transportation corridors designated by a metropolitan planning organization in its long-range transportation plans or by the local government in its comprehensive plan for which the local government seeks designation as a transportation concurrency exception area. For those areas, describe how public transportation, pedestrian ways, and bikeways will be implemented as an alternative to increased automobile use.
- (j) Identify and adopt a package of financial and local government incentives which the local government will offer for new development, expansion of existing development, and redevelopment within the urban infill and redevelopment area. Examples of such incentives include:
 - 1. Waiver of license and permit fees.
 - 2. Waiver of local option sales taxes.
- 3. Waiver of delinquent taxes or fees to promote the return of property to productive use.
 - 4. Expedited permitting.
- 5. Lower transportation impact fees for development which encourage more use of public transit, pedestrian, and bicycle modes of transportation.
- 6. Prioritization of infrastructure spending within the urban infill and redevelopment area.
- 7. Local government absorption of developers' concurrency costs.
- (k) Identify how activities and incentives within the urban infill and redevelopment area will be coordinated and

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what administrative mechanism the local government will use for the coordination.

- (1) Identify how partnerships with the financial and business community will be developed.
- Identify the governance structure that the local (m) government will use to involve community representatives in the implementation of the plan.
- Identify performance measures to evaluate the success of the local government in implementing the urban infill and redevelopment plan.
- (4) In order for a local government to designate an urban infill and redevelopment area, it must amend its comprehensive land-use plan under s. 163.3187 to delineate the boundaries of the urban infill and redevelopment area within the future land-use element of its comprehensive plan. The state land planning agency shall review the boundary delineation of the urban infill and redevelopment area in the future land-use element under s. 163.3184. However, an urban infill and redevelopment plan adopted by a local government is not subject to review pursuant to s. 163.3184(1)(b), and the local government is not required to adopt the plan as a comprehensive plan amendment. An amendment to the local comprehensive plan to designate an urban infill and redevelopment area is exempt from the twice-a-year amendment limitation of s. 163.3187.
- (5) After the preparation of an urban infill and redevelopment plan or designation of an existing plan, the local government shall adopt the plan by ordinance. Notice for the public hearing on the ordinance must be in the form established in s. 166.041(3)(c)2. for municipalities and s. 125.66(4)(b)2. for counties.

1 163.2520 Economic incentives; report.--(1) A local government with an adopted urban infill 2 3 and redevelopment plan or plan employed in lieu thereof may issue revenue bonds under s. 163.385 and employ tax increment 4 5 financing under s. 163.387 for the purpose of financing the 6 implementation of the plan. 7 (2) A local government with an adopted urban infill 8 and redevelopment plan or plan employed in lieu thereof may 9 exercise the powers granted under s. 163.514 for community 10 redevelopment neighborhood improvement districts, including 11 the authority to levy special assessments. (3) State agencies that provide infrastructure 12 funding, cost reimbursement, grants, or loans to local 13 governments, including, but not limited to, the Department of 14 Environmental Protection (Clean Water State Revolving Fund, 15 Drinking Water State Revolving Fund, and the State of Florida 16 17 Pollution Control Bond Program); the Department of Community Affairs (Economic Development and Housing Programs, Florida 18 19 Communities Trust); the Florida Housing Finance Corporation; and the Department of Transportation (Intermodal 20 21 Transportation Efficiency Act funds), are directed to report to the President of the Senate and the Speaker of the House of 22 Representatives by January 1, 2000, regarding statutory and 23 24 rule changes necessary to give urban infill and redevelopment areas identified by local governments under this act an 25 elevated priority in infrastructure funding, loan, and grant 26 27 programs. (4) Areas designated by a local government as urban 28 29 infill and redevelopment areas have priority to receive 30 private-activity bonds under s. 159.807. 163.2523 Grant program. --31

1 (1) An Urban Infill and Redevelopment Assistance Grant Program is created for local governments. Thirty percent of 2 3 the general revenue appropriated for this program shall be available for planning grants to be used by local governments 4 5 to develop community participation processes for the 6 development of an urban infill and redevelopment plan. Sixty 7 percent of the general revenue appropriated for this program 8 shall be available for fifty/fifty matching grants for implementing urban infill and redevelopment projects that 9 10 further the objectives set forth in the local government's 11 adopted urban infill and redevelopment plan or plan employed in lieu thereof. The remaining 10 percent of the revenue must 12 be used for outright grants for implementing projects 13 requiring under \$50,000. Projects that provide employment 14 opportunities to clients of the WAGES program and projects 15 within urban infill and redevelopment areas that include a 16 17 community redevelopment area, Florida Main Street Program, sustainable community, enterprise zone, federal enterprise 18 19 zone, enterprise community, or neighborhood improvement district must be given an elevated priority in the scoring of 20 21 competing grant applications. The Division of Housing and Community Development of the Department of Community Affairs 22 shall administer the grant program. The Department of 23 24 Community Affairs shall adopt rules establishing grant review 25 criteria consistent with this section. If the local government fails to implement the 26 27 urban infill and redevelopment plan following the deadlines set forth in the plan, the Department of Community Affairs may 28 29 seek to rescind the economic and regulatory incentives granted 30 to an urban infill and redevelopment area, subject to the

provisions of chapter 120. The action to rescind may be

initiated 90 days after issuing a written letter of warning to the local government. In addition, in order to continue 2 3 eligibility for the economic and regulatory incentives, the 4 local government must demonstrate during the evaluation, 5 assessment, and review of its comprehensive plan as required 6 under s. 163.3191 that a combination of at least 10 percent of 7 its annual residential, commercial, and institutional 8 development has occurred within the designated urban infill 9 and redevelopment area. 10 163.2526 Review and evaluation.--Before the 2004 11 Regular Session of the Legislature, the Office of Program Policy Analysis and Government Accountability shall perform a 12 review and evaluation of ss. 163.2511-163.2526, including the 13 financial incentives listed in s. 163.2520. The report must 14 evaluate the effectiveness of the designation of urban infill 15 and redevelopment areas in stimulating urban infill and 16 17 redevelopment and strengthening the urban core. A report of the findings and recommendations of the Office of Program 18 19 Policy Analysis and Government Accountability shall be submitted to the President of the Senate and the Speaker of 20 the House of Representatives before the 2004 Regular Session 21 22 of the Legislature. Section 2. Subsection (5) of section 163.3180, Florida 23 24 Statutes, 1998 Supplement, is amended to read: 163.3180 Concurrency.--25 (5)(a) The Legislature finds that under limited 26 27 circumstances dealing with transportation facilities, 28 countervailing planning and public policy goals may come into 29 conflict with the requirement that adequate public facilities and services be available concurrent with the impacts of such 30 31 development. The Legislature further finds that often the

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unintended result of the concurrency requirement for transportation facilities is the discouragement of urban infill development and redevelopment. Such unintended results directly conflict with the goals and policies of the state comprehensive plan and the intent of this part. Therefore, exceptions from the concurrency requirement for transportation facilities may be granted as provided by this subsection.

- (b) A local government may grant an exception from the concurrency requirement for transportation facilities if the proposed development is otherwise consistent with the adopted local government comprehensive plan and is a project that promotes public transportation or is located within an area designated in the comprehensive plan for:
 - 1. Urban infill development;
 - 2. Urban redevelopment; , or
 - 3. Downtown revitalization; or-
 - 4. Urban infill and redevelopment under s. 163.2517.
- (c) The Legislature also finds that developments located within urban infill, urban redevelopment, existing urban service, or downtown revitalization areas or areas designated as urban infill and redevelopment areas under s.

 163.2517 which pose only special part-time demands on the transportation system should be excepted from the concurrency requirement for transportation facilities. A special part-time demand is one that does not have more than 200 scheduled events during any calendar year and does not affect the 100 highest traffic volume hours.
- (d) A local government shall establish guidelines for granting the exceptions authorized in paragraphs (b) and (c) in the comprehensive plan. These guidelines must include consideration of the impacts on the Florida Intrastate Highway

 System, as defined in s. 338.001. The exceptions may be available only within the specific geographic area of the jurisdiction designated in the plan. Pursuant to s. 163.3184, any affected person may challenge a plan amendment establishing these guidelines and the areas within which an exception could be granted.

Section 3. Subsection (1) of section 163.3187, Florida Statutes, 1998 Supplement, is amended to read:

163.3187 Amendment of adopted comprehensive plan. --

- (1) Amendments to comprehensive plans adopted pursuant to this part may be made not more than two times during any calendar year, except:
- (a) In the case of an emergency, comprehensive plan amendments may be made more often than twice during the calendar year if the additional plan amendment receives the approval of all of the members of the governing body.

 "Emergency" means any occurrence or threat thereof whether accidental or natural, caused by humankind, in war or peace, which results or may result in substantial injury or harm to the population or substantial damage to or loss of property or public funds.
- (b) Any local government comprehensive plan amendments directly related to a proposed development of regional impact, including changes which have been determined to be substantial deviations and including Florida Quality Developments pursuant to s. 380.061, may be initiated by a local planning agency and considered by the local governing body at the same time as the application for development approval using the procedures provided for local plan amendment in this section and applicable local ordinances, without regard to statutory or local ordinance limits on the frequency of consideration of

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amendments to the local comprehensive plan. Nothing in this subsection shall be deemed to require favorable consideration of a plan amendment solely because it is related to a development of regional impact.

- (c) Any local government comprehensive plan amendments directly related to proposed small scale development activities may be approved without regard to statutory limits on the frequency of consideration of amendments to the local comprehensive plan. A small scale development amendment may be adopted only under the following conditions:
- 1. The proposed amendment involves a use of 10 acres or fewer and:
- The cumulative annual effect of the acreage for all а. small scale development amendments adopted by the local government shall not exceed:
- (I) A maximum of 120 acres in a local government that contains areas specifically designated in the local comprehensive plan for urban infill, urban redevelopment, or downtown revitalization as defined in s. 163.3164, urban infill and redevelopment areas designated under s. 163.2517, transportation concurrency exception areas approved pursuant to s. 163.3180(5), or regional activity centers and urban central business districts approved pursuant to s. 380.06(2)(e); however, amendments under this paragraph may be applied to no more than 60 acres annually of property outside the designated areas listed in this sub-sub-subparagraph.
- (II) A maximum of 80 acres in a local government that does not contain any of the designated areas set forth in sub-sub-subparagraph (I).
- (III) A maximum of 120 acres in a county established 31 pursuant to s. 9, Art. VIII of the State Constitution.

- b. The proposed amendment does not involve the same property granted a change within the prior 12 months.
- c. The proposed amendment does not involve the same owner's property within 200 feet of property granted a change within the prior 12 months.
- d. The proposed amendment does not involve a text change to the goals, policies, and objectives of the local government's comprehensive plan, but only proposes a land use change to the future land use map for a site-specific small scale development activity.
- e. The property that is the subject of the proposed amendment is not located within an area of critical state concern.
- f. If the proposed amendment involves a residential land use, the residential land use has a density of 10 units or less per acre, except that this limitation does not apply to small scale amendments described in sub-sub-subparagraph a.(I) that are designated in the local comprehensive plan for urban infill, urban redevelopment, or downtown revitalization as defined in s. 163.3164, urban infill and redevelopment areas designated under s. 163.2517, transportation concurrency exception areas approved pursuant to s. 163.3180(5), or regional activity centers and urban central business districts approved pursuant to s. 380.06(2)(e).
- 2.a. A local government that proposes to consider a plan amendment pursuant to this paragraph is not required to comply with the procedures and public notice requirements of s. 163.3184(15)(c) for such plan amendments if the local government complies with the provisions in s. 125.66(4)(a) for a county or in s. 166.041(3)(c) for a municipality. If a

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request for a plan amendment under this paragraph is initiated by other than the local government, public notice is required.

- b. The local government shall send copies of the notice and amendment to the state land planning agency, the regional planning council, and any other person or entity requesting a copy. This information shall also include a statement identifying any property subject to the amendment that is located within a coastal high hazard area as identified in the local comprehensive plan.
- 3. Small scale development amendments adopted pursuant to this paragraph require only one public hearing before the governing board, which shall be an adoption hearing as described in s. 163.3184(7), and are not subject to the requirements of s. 163.3184(3)-(6) unless the local government elects to have them subject to those requirements.
- (d) Any comprehensive plan amendment required by a compliance agreement pursuant to s. 163.3184(16) may be approved without regard to statutory limits on the frequency of adoption of amendments to the comprehensive plan.
- (e) A comprehensive plan amendment for location of a state correctional facility. Such an amendment may be made at any time and does not count toward the limitation on the frequency of plan amendments.
- (f) Any comprehensive plan amendment that changes the schedule in the capital improvements element, and any amendments directly related to the schedule, may be made once in a calendar year on a date different from the two times provided in this subsection when necessary to coincide with the adoption of the local government's budget and capital improvements program.

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- (g) Any local government comprehensive plan amendments directly related to proposed redevelopment of brownfield areas designated under s. 376.80 may be approved without regard to statutory limits on the frequency of consideration of amendments to the local comprehensive plan.
- (h) A comprehensive plan amendment for the purpose of designating an urban infill and redevelopment area under s. 163.2517 may be approved without regard to the statutory limits on the frequency of amendments to the comprehensive plan.
- Section 4. Subsection (17) of section 187.201, Florida Statutes, is amended to read:
- 187.201 State Comprehensive Plan adopted. -- The Legislature hereby adopts as the State Comprehensive Plan the following specific goals and policies:
 - (17) URBAN AND DOWNTOWN REVITALIZATION. --
- (a) Goal. -- In recognition of the importance of Florida's vital urban centers and of the need to develop and redevelop developing and redeveloping downtowns to the state's ability to use existing infrastructure and to accommodate growth in an orderly, efficient, and environmentally acceptable manner, Florida shall encourage the centralization of commercial, governmental, retail, residential, and cultural activities within downtown areas.
 - (b) Policies.--
- 1. Provide incentives to encourage private sector investment in the preservation and enhancement of downtown areas.
- Assist local governments in the planning, financing, and implementation of development efforts aimed at 31 revitalizing distressed downtown areas.

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- 3. Promote state programs and investments that which
 encourage redevelopment of downtown areas.
 - 4. Promote and encourage communities to engage in a redesign step to include public participation of members of the community in envisioning redevelopment goals and design of the community core before redevelopment.
 - 5. Ensure that local governments have adequate flexibility to determine and address their urban priorities within the state urban policy.
 - 6. Enhance the linkages between land use, water use, and transportation planning in state, regional, and local plans for current and future designated urban areas.
 - 7. Develop concurrency requirements that do not compromise public health and safety for urban areas that promote redevelopment efforts.
 - 8. Promote processes for the state, general purpose local governments, school boards, and local community colleges to coordinate and cooperate regarding educational facilities in urban areas, including planning functions, the development of joint facilities, and the reuse of existing buildings.
 - 9. Encourage the development of mass transit systems for urban centers, including multimodal transportation feeder systems, as a priority of local, metropolitan, regional, and state transportation planning.
 - 10. Locate appropriate public facilities within urban centers to demonstrate public commitment to the centers and to encourage private sector development.
 - 11. Integrate state programs that have been developed to promote economic development and neighborhood revitalization through incentives to promote the development of designated urban infill areas.

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1 12. Promote infill development and redevelopment as an important mechanism to revitalize and sustain urban centers. 2 3 Section 5. Section 220.185, Florida Statutes, is created to read: 4 5 220.185 State housing tax credit.--6 (1) LEGISLATIVE FINDINGS. -- The Legislature finds that: 7 There exist within the urban areas of the state 8 conditions of blight evidenced by extensive deterioration of public and private facilities, abandonment of sound 9 structures, and high unemployment, and these conditions impede 10 11 the conservation and development of healthy, safe, and economically viable communities. 12 (b) Deterioration of housing and industrial, 13 commercial, and public facilities contributes to the decline 14 of neighborhoods and communities and leads to the loss of 15 their historic character and the sense of community which this 16 17 inspires; reduces the value of property comprising the tax base of local communities; discourages private investment; and 18 19 requires a disproportionate expenditure of public funds for the social services, unemployment benefits, and police 20 protection required to combat the social and economic problems 21 found in urban communities. 22 (c) In order to ultimately restore social and economic 23 viability to urban areas, it is necessary to renovate or 24 construct new infrastructure and housing, including housing 25 specifically targeted for the elderly, and to specifically 26 27 provide mechanisms to attract and encourage private economic activity. 28 29 (d) The various local governments and other

redevelopment organizations now undertaking physical

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areas are limited by tightly constrained budgets and inadequate resources.

- (e) In order to significantly improve revitalization efforts by local governments and community development organizations and to retain as much of the historic character of our communities as possible, it is necessary to provide additional resources, and the participation of private enterprise in revitalization efforts is an effective means for accomplishing that goal.
- (2) POLICY AND PURPOSE. -- It is the policy of this state to encourage the participation of private corporations in revitalization projects within urban areas. The purpose of this section is to provide an incentive for such participation by granting state corporate income tax credits to qualified low-income housing projects, including housing specifically designed for the elderly, and associated mixed-use projects. The Legislature thus declares this a public purpose for which public money may be borrowed, expended, loaned, and granted.
 - (3) DEFINITIONS.--As used in this section, the term:
- (a) "Credit period" means the period of 5 years beginning with the year the project is completed.
- (b) "Eligible basis" means a project's adjusted basis as of the close of the first taxable year of the credit period.
- (c) "Adjusted basis" means the owner's adjusted basis in the project, calculated in a manner consistent with the calculation of basis under the Internal Revenue Code, taking into account the adjusted basis of property of a character subject to the allowance for depreciation used in common areas or provided as comparable amenities to the entire project.

(d) "Designated project" means a qualified project designated pursuant to s. 420.5093 to receive the tax credit under this section.

- (e) "Qualified project" means a project located in an urban infill area, at least 50 percent of which, on a cost basis, consists of a qualified low-income project within the meaning of s. 42(g) of the Internal Revenue Code, including such projects designed specifically for the elderly but excluding any income restrictions imposed pursuant to s. 42(g) of the Internal Revenue Code upon residents of the project unless such restrictions are otherwise established by the Florida Housing Finance Corporation pursuant to s. 420.5093, and the remainder of which constitutes commercial or single-family residential development consistent with and serving to complement the qualified low-income project.
- (f) "Urban infill area" means an area designated for urban infill as defined by s. 163.3164.
- (4) AUTHORIZATION TO GRANT STATE HOUSING TAX CREDITS; LIMITATION.--
- (a) There shall be allowed a credit of 9 percent of the eligible basis of any designated project for each year of the credit period against any tax due for a taxable year under this chapter.
- (b) The total amount of tax credit which may be granted for all projects approved under this section is \$5 million annually, for each of 5 years.
- (c) The tax credit shall be allocated among designated projects by the Florida Housing Finance Corporation as provided in s. 420.5093.
- 30 (d) Each designated project must comply with the
 31 applicable provisions of s. 42 of the Internal Revenue Code

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with respect to the multifamily residential rental housing element of the project, including specifically the provisions of s. 42(h)(6).

(e) A tax credit shall be allocated to a designated project and shall not be subject to transfer by the recipient unless the transferee is also an owner of the designated project.

Section 6. Paragraph (b) of subsection (19) of section 380.06, Florida Statutes, 1998 Supplement, is amended to read: 380.06 Developments of regional impact.--

- (19) SUBSTANTIAL DEVIATIONS.--
- (b) Any proposed change to a previously approved development of regional impact or development order condition which, either individually or cumulatively with other changes, exceeds any of the following criteria shall constitute a substantial deviation and shall cause the development to be subject to further development-of-regional-impact review without the necessity for a finding of same by the local government:
- 1. An increase in the number of parking spaces at an attraction or recreational facility by 5 percent or 300 spaces, whichever is greater, or an increase in the number of spectators that may be accommodated at such a facility by 5 percent or 1,000 spectators, whichever is greater.
- 2. A new runway, a new terminal facility, a 25-percent lengthening of an existing runway, or a 25-percent increase in the number of gates of an existing terminal, but only if the increase adds at least three additional gates. However, if an airport is located in two counties, a 10-percent lengthening of an existing runway or a 20-percent increase in the number 31 of gates of an existing terminal is the applicable criteria.

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- 3. An increase in the number of hospital beds by 5 percent or 60 beds, whichever is greater.
- An increase in industrial development area by 5 percent or 32 acres, whichever is greater.
- 5. An increase in the average annual acreage mined by 5 percent or 10 acres, whichever is greater, or an increase in the average daily water consumption by a mining operation by 5 percent or 300,000 gallons, whichever is greater. An increase in the size of the mine by 5 percent or 750 acres, whichever is less.
- An increase in land area for office development by 5 percent or 6 acres, whichever is greater, or an increase of gross floor area of office development by 5 percent or 60,000 gross square feet, whichever is greater.
- 7. An increase in the storage capacity for chemical or petroleum storage facilities by 5 percent, 20,000 barrels, or 7 million pounds, whichever is greater.
- 8. An increase of development at a waterport of wet storage for 20 watercraft, dry storage for 30 watercraft, or wet/dry storage for 60 watercraft in an area identified in the state marina siting plan as an appropriate site for additional waterport development or a 5-percent increase in watercraft storage capacity, whichever is greater.
- 9. An increase in the number of dwelling units by 5 percent or 50 dwelling units, whichever is greater.
- 10. An increase in commercial development by 6 acres of land area or by 50,000 square feet of gross floor area, or of parking spaces provided for customers for 300 cars or a 5-percent increase of any of these, whichever is greater.
- 11. An increase in hotel or motel facility units by 5 31 percent or 75 units, whichever is greater.

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- 12. An increase in a recreational vehicle park area by 5 percent or 100 vehicle spaces, whichever is less.
- A decrease in the area set aside for open space of 5 percent or 20 acres, whichever is less.
- 14. A proposed increase to an approved multiuse development of regional impact where the sum of the increases of each land use as a percentage of the applicable substantial deviation criteria is equal to or exceeds 100 percent. The percentage of any decrease in the amount of open space shall be treated as an increase for purposes of determining when 100 percent has been reached or exceeded.
- 15. A 15-percent increase in the number of external vehicle trips generated by the development above that which was projected during the original development-of-regional-impact review.
- 16. Any change which would result in development of any area which was specifically set aside in the application for development approval or in the development order for preservation or special protection of endangered or threatened plants or animals designated as endangered, threatened, or species of special concern and their habitat, primary dunes, or archaeological and historical sites designated as significant by the Division of Historical Resources of the Department of State. The further refinement of such areas by survey shall be considered under sub-subparagraph (e)5.b.

The substantial deviation numerical standards in subparagraphs 4., 6., 10., 14., excluding residential uses, and 15., are increased by 100 percent for a project certified under s. 403.973 which creates jobs and meets criteria established by 31 the Office of Tourism, Trade, and Economic Development as to

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its impact on an area's economy, employment, and prevailing
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   wage and skill levels. The substantial deviation numerical
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   standards in subparagraphs 4., 6., 9., 10., 11., and 14. are
   increased by 50 percent for a project located wholly within an
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   urban infill and redevelopment area designated on the
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   applicable adopted local comprehensive plan future land use
   map and not located within the coastal high hazard area.
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           Section 7. Paragraph (b) of subsection (2) of section
   163.3220, Florida Statutes, is amended to read:
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           163.3220 Short title; legislative intent.--
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           (2) The Legislature finds and declares that:
           (b) Assurance to a developer that upon receipt of his
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   or her development permit or brownfield designation he or she
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   may proceed in accordance with existing laws and policies,
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   subject to the conditions of a development agreement,
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   strengthens the public planning process, encourages sound
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   capital improvement planning and financing, assists in
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   assuring there are adequate capital facilities for the
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   development, encourages private participation in comprehensive
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   planning, and reduces the economic costs of development.
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           Section 8. Present subsections (1) through (13) of
   section 163.3221, Florida Statutes, are renumbered as
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   subsections (2) through (14), respectively, and a new
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   subsection (1) is added to that section to read:
           163.3221 Definitions.--As used in ss.
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   163.3220-163.3243:
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               "Brownfield designation" means a resolution
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   adopted by a local government pursuant to the Brownfields
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   Redevelopment Act, ss. 376.77-376.85.
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           Section 9. Subsection (1) of section 163.375, Florida
31 Statutes, is amended to read:
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163.375 Eminent domain.--

(1) Any county or municipality, or any community redevelopment agency pursuant to specific approval of the governing body of the county or municipality which established the agency, as provided by any county or municipal ordinance has the right to acquire by condemnation any interest in real property, including a fee simple title thereto, which it deems necessary for, or in connection with, community redevelopment and related activities under this part. Any county or municipality, or any community redevelopment agency pursuant to specific approval by the governing body of the county or municipality which established the agency, as provided by any county or municipal ordinance may exercise the power of eminent domain in the manner provided in chapters 73 and 74 and acts amendatory thereof or supplementary thereto, or it may exercise the power of eminent domain in the manner now or which may be hereafter provided by any other statutory provision for the exercise of the power of eminent domain. Property in unincorporated enclaves surrounded by the boundaries of a community redevelopment area may be acquired when it is determined necessary by the agency to accomplish the community redevelopment plan. Property already devoted to a public use may be acquired in like manner. However, no real property belonging to the United States, the state, or any political subdivision of the state may be acquired without its consent. Section 10. Subsection (1) of section 165.041, Florida

Statutes, is amended to read:

165.041 Incorporation; merger.--

(1)(a) A charter for incorporation of a municipality, 31 except in case of a merger which is adopted as otherwise

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provided in subsections (2) and (3), shall be adopted only by a special act of the Legislature upon determination that the standards herein provided have been met.

- (b) To inform the Legislature on the feasibility of a proposed incorporation of a municipality, a feasibility study shall be completed and submitted to the Legislature 90 days before the first day of the regular session of the Legislature in conjunction with a proposed special act for the enactment of the municipal charter. The Such feasibility study shall contain the following:
- 1. The general location of territory subject to boundary change and a map of the area which identifies the proposed change.
- The major reasons for proposing the boundary change.
 - 3. The following characteristics of the area:
- a. A list of the current land use <u>designations applied</u> to the subject area in the county comprehensive plan.
- b. A list of the current county zoning designations applied to the subject area.
- c. A general statement of present land use characteristics of the area.
- d. A description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known.
- 4. A list of all public agencies, such as local governments, school districts, and special districts, whose current boundary falls within the boundary of the territory proposed for the change or reorganization.
- 5. A list of current services being provided within the proposed incorporation area, including, but not limited 31

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to, water, sewer, solid waste, transportation and public works, law enforcement, police and fire rescue, zoning, street lighting, parks and recreation, library and cultural facilities, and the estimated costs for each current service.

- 6. A list of proposed services to be provided within the proposed incorporation area, and the estimated cost of such proposed services.
- 7. The names and addresses of three officers or persons submitting the proposal.
- 8. Evidence of fiscal capacity and an organizational plan as it relates to the area seeking incorporation that, at a minimum, includes:
- a. Existing tax bases, including ad valorem taxable value, utility taxes, sales and use taxes, franchise taxes, license and permit fees, charges for services, fines and forfeitures, and other revenue sources, as appropriate.
- b. A 5-year operational plan that, at a minimum, includes proposed staffing, building acquisition and construction, debt issuance, and budgets.
- 9.1. Data and analysis to support the conclusions that incorporation is necessary and financially feasible, including population projections and population density calculations, and an explanation concerning methodologies used for such analysis.
- 10.2. Evaluation of the alternatives available to the area to address its policy concerns.
- 11.3. Evidence that the proposed municipality meets the requirements for incorporation pursuant to s. 165.061.
- (c) In counties that have adopted a municipal overlay for municipal incorporation pursuant to s. 163.3217, such 31 information shall be submitted to the Legislature in

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conjunction with any proposed municipal incorporation in the county. This information should be used to evaluate the feasibility of a proposed municipal incorporation in the geographic area.

Section 11. Section 171.0413, Florida Statutes, is amended to read:

171.0413 Annexation procedures. -- Any municipality may annex contiquous, compact, unincorporated territory in the following manner:

- (1) An ordinance proposing to annex an area of contiguous, compact, unincorporated territory shall be adopted by the governing body of the annexing municipality pursuant to the procedure for the adoption of a nonemergency ordinance established by s. 166.041. Prior to the adoption of the ordinance of annexation the local governing body shall hold at least two advertised public hearings. The first public hearing shall be on a weekday at least 7 days after the day that the first advertisement is published. The second public hearing shall be held on a weekday at least 5 days after the day that the second advertisement is published. Each such ordinance shall propose only one reasonably compact area to be annexed. However, prior to the ordinance of annexation becoming effective, a referendum on annexation shall be held as set out below, and, if approved by the referendum, the ordinance shall become effective 10 days after the referendum or as otherwise provided in the ordinance, but not more than 1 year following the date of the referendum.
- (2) Following the final adoption of the ordinance of annexation by the governing body of the annexing municipality, the ordinance shall be submitted to a vote of the registered 31 electors of the area proposed to be annexed. The governing

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 body of the annexing municipality may also choose to submit
the ordinance of annexation to a separate vote of the
registered electors of the annexing municipality. If the
proposed ordinance would cause the total area annexed by a
municipality pursuant to this section during any one calendar
year period cumulatively to exceed more than 5 percent of the
total land area of the municipality or cumulatively to exceed
more than 5 percent of the municipal population, the ordinance
shall be submitted to a separate vote of the registered
electors of the annexing municipality and of the area proposed
to be annexed. The referendum on annexation shall be called
and conducted and the expense thereof paid by the governing
body of the annexing municipality.

- (a) The referendum on annexation shall be held at the next regularly scheduled election following the final adoption of the ordinance of annexation by the governing body of the annexing municipality or at a special election called for the purpose of holding the referendum. However, the referendum, whether held at a regularly scheduled election or at a special election, shall not be held sooner than 30 days following the final adoption of the ordinance by the governing body of the annexing municipality.
- (b) The governing body of the annexing municipality shall publish notice of the referendum on annexation at least once each week for 2 consecutive weeks immediately preceding the date of the referendum in a newspaper of general circulation in the area in which the referendum is to be held. The notice shall give the ordinance number, the time and places for the referendum, and a brief, general description of the area proposed to be annexed. The description shall include a map clearly showing the area and a statement that

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the complete legal description by metes and bounds and the ordinance can be obtained from the office of the city clerk.

- (c) On the day of the referendum on annexation there shall be prominently displayed at each polling place a copy of the ordinance of annexation and a description of the property proposed to be annexed. The description shall be by metes and bounds and shall include a map clearly showing such area.
- Ballots or mechanical voting devices used in the referendum on annexation shall offer the choice "For annexation of property described in ordinance number of the City of and "Against annexation of property described in ordinance number of the City of in that order.
- (e) If the referendum is held only in the area proposed to be annexed and receives a majority vote, or if the ordinance is submitted to a separate vote of the registered electors of the annexing municipality and the area proposed to be annexed and there is a separate majority vote for annexation in the annexing municipality and in the area proposed to be annexed, the ordinance of annexation shall become effective on the effective date specified therein. If there is any majority vote against annexation, the ordinance shall not become effective, and the area proposed to be annexed shall not be the subject of an annexation ordinance by the annexing municipality for a period of 2 years from the date of the referendum on annexation.
- (3) Any parcel of land which is owned by one individual, corporation, or legal entity, or owned collectively by one or more individuals, corporations, or legal entities, proposed to be annexed under the provisions of 31 this act shall not be severed, separated, divided, or

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 partitioned by the provisions of said ordinance, but shall, if intended to be annexed, or if annexed, under the provisions of this act, be annexed in its entirety and as a whole. However, nothing herein contained shall be construed as affecting the validity or enforceability of any ordinance declaring an intention to annex land under the existing law that has been enacted by a municipality prior to July 1, 1975. The owner of such property may waive the requirements of this subsection if such owner does not desire all of the tract or parcel included in said annexation.

- (4) Except as otherwise provided in this law, the annexation procedure as set forth in this section shall constitute a uniform method for the adoption of an ordinance of annexation by the governing body of any municipality in this state, and all existing provisions of special laws which establish municipal annexation procedures are repealed hereby; except that any provision or provisions of special law or laws which prohibit annexation of territory that is separated from the annexing municipality by a body of water or watercourse shall not be repealed.
- (5) If more than 70 percent of the land in an area proposed to be annexed is owned by individuals, corporations, or legal entities which are not registered electors of such area, such area shall not be annexed unless the owners of more than 50 percent of the land in such area consent to such annexation. Such consent shall be obtained by the parties proposing the annexation prior to the referendum to be held on the annexation.
- (6) Notwithstanding subsections (1) and (2), if the area proposed to be annexed does not have any registered electors on the date the ordinance is finally adopted, a vote

 of electors of the area proposed to be annexed is not required. In addition to the requirements of subsection (5), the area may not be annexed unless the owners of more than 50 percent of the parcels of land in the area proposed to be annexed consent to the annexation. If the governing body does not choose to hold a referendum of the annexing municipality is not required as well pursuant to subsection (2), then the property owner consents required pursuant to subsection (5) shall be obtained by the parties proposing the annexation prior to the final adoption of the ordinance, and the annexation ordinance shall be effective upon becoming a law or as otherwise provided in the ordinance.

Section 12. <u>Efficiency and accountability in local</u> government services.—

- (1) The intent of this section is to provide and encourage a process that will:
- (a) Allow municipalities and counties to resolve conflicts among local jurisdictions regarding the delivery and financing of local services.
- (b) Increase local government efficiency and accountability.
- (c) Provide greater flexibility in the use of local revenue sources for local governments involved in the process.
- (2) Any county or combination of counties, and the municipalities therein, may use the procedures provided by this section to develop and adopt a plan to improve the efficiency, accountability, and coordination of the delivery of local government services. The development of such a plan may be initiated by a resolution adopted by a majority vote of the governing body of each of the counties involved, by resolutions adopted by a majority vote of the governing bodies

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of a majority of the municipalities within each county, or by resolutions adopted by a majority vote of the governing bodies of the municipality or combination of municipalities representing a majority of the municipal population of each county. The resolution shall specify the representatives of the county and municipal governments, of any affected special districts, and of any relevant local government agencies who will be responsible for developing the plan. The resolution must include a proposed timetable for development of the plan and must specify the local government support and personnel services that will be made available to the representatives developing the plan.

- (3) Upon adoption of a resolution or resolutions as provided in subsection (2), the designated representatives shall develop a plan for delivery of local government services. The plan must:
- (a) Designate the areawide and local government services that are the subject of the plan.
- (b) Describe the existing organization of such services and the means of financing the services, and create a reorganization of such services and the financing thereof that will meet the goals of this section.
- (c) Designate the local agency that should be responsible for the delivery of each service.
- (d) Designate those services that should be delivered regionally or countywide. No provision of the plan shall operate to restrict the power of a municipality to finance and deliver services in addition to, or at a higher level than, the services designated for regional or countywide delivery under this paragraph.

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- (e) Provide means to reduce the cost of providing local services and enhance the accountability of service providers.
- (f) Include a multiyear capital outlay plan for infrastructure.
- (q) Specifically describe any expansion of municipal boundaries that would further the goals of this section. Any area proposed to be annexed must meet the standards for annexation provided in chapter 171, Florida Statutes. The plan shall not contain any provision for contraction of municipal boundaries or elimination of any municipality.
- (h) Provide specific procedures for modification or termination of the plan.
 - (i) Specify the effective date of the plan.
- (4)(a) A plan developed pursuant to this section must conform to all comprehensive plans that have been found to be in compliance under part II of chapter 163, Florida Statutes, for the local governments participating in the plan.
- (b) No provision of a plan developed pursuant to this section shall restrict the authority of any state or regional governmental agency to perform any duty required to be performed by that agency by law.
- (5)(a) A plan developed pursuant to this section must be approved by a majority vote of the governing body of each county involved in the plan, and by a majority vote of the governing bodies of a majority of municipalities in each county, and by a majority vote of the governing bodies of the municipality or municipalities that represent a majority of the municipal population of each county.
- (b) After approval by the county and municipal 31 governing bodies as required by paragraph (a), the plan shall

be submitted for referendum approval in a countywide election in each county involved. The plan shall not take effect unless approved by a majority of the electors of each county who vote in the referendum, and also by a majority of the electors of the municipalities that represent a majority of the municipal population of each county who vote in the referendum. If approved by the electors as required by this paragraph, the plan shall take effect on the date specified in the plan.

(6) If a plan developed pursuant to this section includes areas proposed for municipal annexation which meet the standards for annexation provided in chapter 171, Florida Statutes, such annexation shall take effect upon approval of the plan as provided in this section, notwithstanding the procedures for approval of municipal annexation specified in chapter 171, Florida Statutes.

Section 13. Section 420.5093, Florida Statutes, is created to read:

420.5093 State Housing Tax Credit Program.--

- Program for the purposes of stimulating creative private sector initiatives to increase the supply of affordable housing in urban areas, including, specifically, housing for the elderly, and to provide associated commercial facilities associated with such housing facilities.
- (2) The Florida Housing Finance Corporation shall determine those qualified projects that shall be considered designated projects under s. 220.185 and eligible for the corporate tax credit under that section. The corporation shall establish procedures necessary for proper allocation and distribution of state housing tax credits, including the establishment of criteria for any single-family or commercial

component of a project, and may exercise all powers necessary to administer the allocation of such credits. The board of directors of the corporation shall administer the allocation procedures and determine allocations on behalf of the corporation. The corporation shall prepare an annual plan, which must be approved by the Governor, containing general guidelines for the allocation and distribution of credits to designated projects.

- (3) The corporation shall adopt allocation procedures that will ensure the maximum use of available tax credits in order to encourage development of low-income housing and associated mixed-use projects in urban areas, taking into consideration the timeliness of the application, the location of the proposed project, the relative need in the area of revitalization and low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought.
- (4)(a) A taxpayer who wishes to participate in the State Housing Tax Credit Program must submit an application for tax credit to the corporation. The application shall identify the project and its location and include evidence that the project is a qualified project as defined in s.

 220.185. The corporation may request any information from an applicant necessary to enable the corporation to make tax credit allocations according to the guidelines set forth in subsection (3).
- (b) The corporation's approval of an applicant as a designated project shall be in writing and shall include a statement of the maximum credit allowable to the applicant. A copy of this approval shall be transmitted to the executive

 director of the Department of Revenue, who shall apply the tax credit to the tax liability of the applicant.

- (5) For purposes of implementing this program and assessing the property for ad valorem taxation under s.

 193.011, neither the tax credits nor financing generated by tax credits shall be considered as income to the property, and the rental income from rent-restricted units in a state housing tax credit development shall be recognized by the property appraiser.
- (6) The corporation is authorized to expend fees received in conjunction with the allocation of state housing tax credits only for the purpose of administration of the program, including private legal services that relate to interpretation of s. 42 of the Internal Revenue Code.

Section 14. Section 420.630, Florida Statutes, is created to read:

420.630 Short title.--Sections 420.630-420.635 may be cited as the "Urban Homesteading Act."

Section 15. Section 420.631, Florida Statutes, is created to read:

 $\underline{420.631}$ Definitions.--As used in ss. 420.630-420.635, the term:

- (1) "Authority" or "housing authority" means any of the public corporations created under s. 421.04.
- (2) "Community-based organization" or "nonprofit organization" means a private corporation that is organized under chapter 617 which assists in providing housing and related services on a not-for-profit basis and that is acceptable to federal, state, and local agencies and financial institutions as a sponsor of low-income housing.

(3) "Department" means the Department of Community Affairs.

- (4) "Homestead agreement" means a written contract
 between a housing authority or community-based organization
 and a qualified buyer which contains the terms under which the
 qualified buyer may acquire the single-family housing
 property.
- (5) "Nonprofit community organization" means an organization that is exempt from taxation under s. 501(c)(3) of the Internal Revenue Code of 1986, and that contracts with a housing authority to administer an urban homesteading program for single-family housing under ss. 420.630-420.635.
- (6) "Office" means the Office of Urban Opportunity within the Office of Tourism, Trade, and Economic Development.
- (7) "Project" means a specific work or improvement, including land, buildings, real and personal property, or any interest therein, acquired, owned, constructed, reconstructed, rehabilitated, or improved with the financial assistance of the agency, including the construction of low-income and moderate-income housing facilities and facilities incident or appurtenant thereto, such as streets, sewers, utilities, parks, site preparation, landscaping, and any other administrative, community, and recreational facilities that the agency determines are necessary, convenient, or desirable appurtenances.
- (8) "Qualified buyer" means a person who meets the criteria under s. 420.633.
- (9) "Qualified loan rate" means an interest rate that does not exceed the interest rate charged for home improvement loans by the Federal Housing Administration under Title I of

the National Housing Act; chapter 847; 48 Stat. 1246; or 12 U.S.C. ss. 1702, 1703, 1705, and 1706b et seq. 2 3 Section 16. Section 420.632, Florida Statutes, is 4 created to read: 5 420.632 Authority to operate. -- By resolution, subject 6 to federal and state law, and in consultation with the Office of Urban Opportunity, a housing authority or a nonprofit 7 8 community organization appointed by the housing authority may 9 operate a program that makes foreclosed single-family housing 10 properties available to eligible buyers to purchase. This 11 urban homesteading program is intended to be one component of a comprehensive urban-core redevelopment initiative known as 12 Front Porch Florida, implemented by the Office of Urban 13 14 Opportunity. 15 Section 17. Section 420.633, Florida Statutes, is 16 created to read: 420.633 Eligibility. -- An applicant is eligible to 17 18 enter into a homestead agreement to acquire single-family 19 housing property as a qualified buyer under ss. 20 420.630-420.635, if: The applicant or his or her spouse is employed and 21 (1)has been employed for the immediately preceding 12 months; 22 23 The applicant or his or her spouse has not been 24 convicted of a drug-related felony within the immediately 25 preceding 3 years; (3) All school-age children of the applicant or his or 26 27 her spouse who will reside in the single-family housing 28 property attend school regularly; and 29 The applicant and his or her spouse have incomes (4)30 below the median for the state, as determined by the United 31 States Department of Housing and Urban Development, for

families with the same number of family members as the applicant and his or her spouse.

Section 18. Section 420.634, Florida Statutes, is created to read:

420.634 Application process.--

- authority or a nonprofit community organization appointed by the housing authority to acquire the single-family housing property. The application must be in a form and in a manner provided by the housing authority or nonprofit community organization appointed by the housing authority. If the application is approved, the qualified buyer and housing authority or nonprofit community organization appointed by the housing authority or nonprofit community organization appointed by the housing authority shall enter into a homestead agreement for the single-family housing property. The housing authority or nonprofit community organization appointed by the housing authority may add additional terms and conditions to the homestead agreement.
- (2) The housing authority or nonprofit community organization appointed by the housing authority shall deed or cause to be deeded the single-family housing property to the qualified buyer for \$1 if the qualified buyer:
- (a) Is in compliance with the terms of the homestead agreement for at least 5 years or has resided in the single-family housing property before the housing authority or nonprofit community organization appointed by the housing authority adopts the urban homesteading program;
 - (b) Resides in that property for at least 5 years;
 - (c) Meets the criteria in the homestead agreement; and
- (d) Has otherwise promptly met his or her financial obligations with the housing commission.

1 However, if the housing authority has received federal funds 2 3 for which bonds or notes were issued and those bonds or notes 4 are outstanding for that housing project, the housing 5 authority shall deed the property to the qualified buyer only 6 upon payment of the pro rata share of the bonded debt on that specific property by the qualified buyer. The housing 7 8 authority shall obtain the appropriate releases from the 9 holders of the bonds or notes. 10 Section 19. Section 420.635, Florida Statutes, is 11 created to read: 420.635 Loans to qualified buyers.--Contingent upon an 12 appropriation, the department, in consultation with the Office 13 14 of Urban Opportunity, shall provide loans to qualified buyers who are required to pay the pro rata portion of the bonded 15 debt on the single-family housing. Loans provided under this 16 17 section shall be made at a rate of interest which may not exceed the qualified loan rate. A buyer must maintain the 18 19 qualifications specified in s. 420.633 for the full term of 20 the loan. The loan agreement may contain additional terms and conditions as determined by the department. 21 The sum of \$10 million is appropriated 22 Section 20. from the General Revenue Fund to the Department of Community 23 24 Affairs for the purpose of funding the Urban Infill and 25 Redevelopment Grant Program under section 162.2523, Florida 26 Statutes. 27 Section 21. This act shall take effect July 1, 1999. 28 29 30

1	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2	COMMITTEE SUBSTITUTE FOR SB's 1078 and 1438
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4	Combines the two bills and adds the Florida Tax Credit and the
5	Urban Homesteading Programs.
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